

## **Mobile phones purchases and consumer decision making process: the role of Facebook online advertising**

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Sample

## **ABSTRACT**

Facebook has been one of the popular social network sites (SNS) in recent years. With an increasing number of consumer groups using SNS, an understanding of consumer attitudes and behaviour towards its advertising becomes useful for businesses, in particular for those mobile phone companies that encounter consumer tastes in favouring technologically innovative products. Furthermore, greater attention needs to be paid to the function of online advertising in influencing the purchasing process. The study in this chapter contributes to our understanding of consumer behaviour towards SNS advertising. The differing behavioural segments identified, show that Facebook advertising impacts on the pre-purchase stages of the consumer decision making process in mobile phone purchasing. Furthermore, our findings show that whilst social networking amongst peers is recognized as a key determinant of online engagement, formal networking enabled by technical mechanisms on Facebook can be another key reason for using the site.

Key words: Social network site, Facebook, purchase decision process, consumer behaviour, social networking, formal networking, 7Ps

## **INTRODUCTION**

Social network websites (SNS), defined as website-based services that allow individuals to (1) create a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections (Boyd and Ellison, 2008, p.211), have attracted millions of consumers and have changed ways of people communicating and connecting to each other (Rutledge, 2008, p.6). In October 2011, online social networking ranked at the top of the popularity of website engagement worldwide. Today, a significant number of people in the UK are SNS users; they spend 25% of their time on SNS (Fenton, 2011). These websites have become 'gold mines' for businesses, e.g. mobile phone companies, advertising their products in order to reach specific targets (Dembosky, 2012). Online social networks provide opportunities for advertising, word-of-mouth and influential endorsement, ranging from direct advertisements (ads, e.g. banners, videos), fan pages and business profiles to discussions through comments or mini-forums. In 2011, online advertisement spending represented 27% of the overall UK advertising market, making the Internet the "dominant platform for advertisers" (Fenton, 2011).

Facebook appears to be the most popular SNS in the globe today (Price, 2012) with 727 million daily active users, approximately 80% are outside of the U.S and Canada, (Facebook, 2014). In the UK, 24 million people visit the site daily (Glenday, 2013). Indeed, Facebook recently reported that it had made about \$2.02 billion revenue in the third quarter of 2013, and from advertising, that was around \$1.8 billion which equalled to 89% of the total revenue. A majority of its revenue is based on selling advertising attached to businesses from which a ROI (Return on Investment) is sometimes calculated (Facebook-Investor-Relations, 2012). Its revenue resulted from advertising has been increasing over the years, in particular at \$2.02 billion with an increase of 60% over year (Sterling, 2013). This demonstrates the particular interest businesses have towards Facebook.

Opinions on the results of Facebook advertising are controversial. While a study in 2012 revealed that companies such as Starbucks actually witnessed an increase in sales after having communicated on Facebook (Polites, 2013), General Motors stated that it was to stop paying advertising on the social network because of a lack of “*big impact on consumers*” (Muller, 2012). Although reports state that Facebook advertising has positive or negative results (e.g. Brustein, 2013; Manjoo, 2011), there is a lack of empirical research on how advertising through the social network affects consumer behaviour in purchases.

A closer look at the mobile phone market shows that its audience is extremely large with 94% of the UK adult population owning a mobile phone at the end of 2012 (Ofcom, 2013). Since the arrival of Smartphones, the sales have been twice as much as iPads (Elmer-DeWitt, 2013); however, the competition in the market has been even tougher, for example, Android remained to dominant No. 1 OS spot in the UK with 58.4% of the market in the first quarter, 2013, Apple iOS listed as the second with 28.7%, but it dropped down by 1.4% from quarter one 2012. At the end of March 2013, Samsung had half of the ten best-selling smartphone models (Withers, 2013).

To perform companies have had to find new ways of competing and communicating with their customers (Euromonitor-International, 2012). One of the new ways of communicating is via Facebook. Indeed, one can easily witness that today many mobile phone companies advertise on Facebook and create Fan Pages according to the countries of their businesses in adapting their communication (i.e. Samsung UK, Samsung US). On the social network, they constantly post images of their new products, organise competitions and events, giveaway promotional codes or any offers, allowing them to remind themselves in the news feed of the consumers who subscribed to the Fan Page (Facebook, 2013). With a massive audience and an extremely competitive environment, it would be of importance for the whole industry to understand how Facebook actually helps mobile phone companies to influence consumers' attitudes and behaviour.

Studies on Facebook have been on brand-related word-of-mouth and its effects on consumers' interests towards a brand (Reynolds-McInay and Taran, 2010), on the virtual brand communities and their effects on consumers' commitment and satisfaction (Royo-Vela and Casamassima, 2011), and very recently, on how Facebook advertising on Smartphones affects the decision-making behaviour of the message receivers (Yang, 2012). However, even though the practice of advertising through Facebook is widespread and in particular by mobile phone companies, little or if any study looks into explicitly examining the role of Facebook advertising tools in the consumers' buying decision, a key factor in generating sales (Jobber and Ellis-Chadwick, 2013). Such a study will not only benefit the industry, but also mobile phone companies being able assist them in using social networks more appropriately and to understand 'how' and 'why'. It would provide references to questions such as what exactly they should employ on advertising, whether or not they should revise their websites if an advertisement leads to a virtual or physical purchase. Consumers could therefore gain more accurate information by reducing the 'confusing' aspects of mobile phone markets (Ali Smadi and Al-Jawazneh, 2011; Kasper et al., 2010; Turnbull et al., 2000) leading to customers buying more confidently.

According to Bogdan and Biklen (2007), when conducting a study it is better to "*think small*" by narrowing down the scope of a topic. Therefore, the aim of this study is to gain an understanding of how consumers use Facebook advertising tools, if at all, in the British consumers' buying behaviour in purchase decision making process in the mobile phone market. In particular the study will examine Facebook user's perception and reaction, and explore their attitudes/behaviours towards Facebook advertising. It is important to note that 'Facebook advertising' in this study relates to advertising on Facebook on a computer and not on a Smartphone. Indeed, computers and Smartphones are two different mediums and some of the advertising tools offered by Facebook are different from one to another.

## **BACKGROUND**

### **Online advertising**

Advertising can be defined as "*any paid form of non-personal promotion transmitted through a mass medium*" (Brassington and Pettitt, 2007, p.324), it's comprised of two components, Offline traditional media advertising (TV, radio, magazines, newspapers and outdoor/other) and online advertising (paid for spaces on a Web site or e-mail, such as banner ads, skyscraper ads, dynamic media, buttons, interstitials, pop-ups, etc." (Goldsmith and Lafferty, 2002, p.318). Scholars (Fill, 2009; Fill, 2006; Percy, 2008; Winston, 1985) argue that being a sub-element of marketing promotion (Jobber and Ellis-Chadwick, 2013), advertising helps marketers to create awareness and attitude, increase sales, inform, remind and persuade

and encourage trials, involve consumers and differentiate and position brands. Based on Goldsmith and Lafferty's work, Fill (2006) points out that the categorization of the first component concerns with those offline techniques which aim to make consumers visit a specific website. Online advertising has been developed to become one of the main tools for promotion (Khosrowpour, 2000). Four categories can be identified according to the characteristics of different types of online advertising, shown in Table 1; they are differentiated by technical interactiveness, information interactiveness, and Internet's ability to support, referrals and word-of-mouth functions respectively.

**Table 1. Online advertising category**

Category	Determinants	Key functions	Examples of study
Static, animated & interactive web ads	Technical interactiveness of web	Convey important information, grab visitor's attention, allow options and tailored re-direction.	Janoschka, 2004 Schneider, 2011
Displaying, search, classified & email ads	Information interactiveness of where advertisement is an	Convey important information through displaying, offer tailored and updated ads on search results pages with rich and speedy information; reach target segments.	Broder et al., 2008; Evans, 2008; Spurgeon, 2008; Spilker-Atting and Brettel, 2005; Meeker et al. (2002); Lieb, 2009; Cheng et al., 2009 Goldfarb and Tucker, 2011 Schneider, 2011
Banners, pop-up-under adverts & floating ads	The Internet ability to support	Brand building and brand awareness but can be intrusive and disturbing.	(Ateljevic and Martin, 2011); Goldfarb and Tucker, 2011; Evans, 2009; Rodgers and Thorson, 2000; Barker and Angelopulo, 2006; Shelly et al., 2009; Sathish et al., 2011; Li and Leckenby, 2004;
Facebook & other online SNS; sponsorship & email ads	Referrals & Word-of-mouth	Brand building through communities, customer relationships, consumer segmentation.	Boyd and Ellison, 2008 (McLaughlin and Lee, 2011); Trusov et al., 2009 Narayanan and Shmatikov, 2009 Schumann and Thorson, 2007 Gopal et al., 2006

The first group reflects an evolution of web advertising technology (Janoschka, 2004) where static ads convey the most important information; animations specifically grab visitors' attention (Schneider, 2011, p.562). Interactive advertisements allow visitors to choose

among options or type-in key words. They offer visitors flexibilities for customers being involved with the ads at different levels according to their interests in the web technologies, information itself and time limits, and provide possibilities for companies to be creative.

Displaying ads are generally on non-search web pages (Evans, 2008, p.8) and they can be static, animated or interactive. Goldfarb and Tucker (2011, p.39) argue that this category is 'hard to ignore' due to its popularity. Search advertisement comes up as search-results pages (Evans, 2008, p.8), search engines such as Google, Yahoo or Bing are the intermediary platforms. In addition social network sites such as MySpace incorporate the kind of linking search. Classified advertisements are sorted under a heading/website, they are attractive to users interested in the classification (Schneider, 2011), the websites such as eBay, CareerBuilder. Email ads are sent by electronic mails, e.g. newsletters, being a way of pushing information to users (Cheng et al., 2009, p.504). Banners, pop-up/pop-under and floating ads have various online ads formats based on the Internet's ability to support (Rodgers and Thorson, 2000; Evans, 2009). However response rate to banner ads have been dramatically fallen over time (Goldfarb and Tucker, 2011, p.39). Pop-up and Pop-under ads are those windows automatically open in an Internet screen visited by users (Barker and Angelopulo, 2006; Shelly et al., 2009). Finally, floating ads are a sort of pop-up advertisement however they do not emerge in a different window but a float across the screen (Shelly et al., 2009, p.198).

The last group is classified as SNS, online sponsorship and word-of-mouth. SNS are those websites allowing customers to create profiles, connect with people and to share interests, opinions and other electronic content (Boyd and Ellison, 2008; Trusov et al., 2009), while sponsorship is the placement of a sponsor's identity (corporate logo or brand name) in sponsored Websites to build goodwill (Schumann and Thorson, 2007, p.212). Using SNS for advertising purposes has been largely developed in Facebook and MySpace, as Narayanan and Shmatikov (2009) point out, the media has attracted businesses by providing personalized and targeted advertising platforms. Sponsorship online enables organizations to reach a complementary audience and to demonstrate their modern and technology-orientated businesses (Schumann and Thorson, 2007, p.212). Word-of-mouth is the traditional and most effective advertising technique (Trusov et al., 2009) and through which social networks can generate such an effect through forums, product review websites and emails.

The formats of online ads continue to develop to embrace technological advancement and enabling mechanisms. Studies (e.g. Yunyoo, 2007) find that formats of online advertising impact on users' buying intention. Animated web ads have been reported as being disturbing

when the Internet users are looking for specific information (*ibid.*). Banners are not found effective anymore, as Sathish et al. (2011) and Li and Leckenby (2004) note, very few people actually click on, however scholars (Sathish et al., 2011; Li and Leckenby, 2004) find that the position of banners on a web-page plays a role on the percentage of users clicking on the ads, and among all, the middle of the page being the most eye-catching; in addition, the more advance technology used (e.g. with which music coming out, video, interactive content) and the bigger the banner size, the more likely users are to click on, and therefore they are not totally inefficient as they could help brand building and awareness (Sathish et al., 2011; Li and Leckenby, 2004). Other studies report that displaying advertising should be used with caution, as Goldfarb and Tucker suggest, they can be intrusive and has fewer impact on the revenue generated, especially if there are indiscreet questions, loud music, pop-up windows. More specifically Li and Leckenby (2004) and Chatterjee (2008) reveal that pop-up and pop-under ads are considered as disturbing; they are more likely to be closed without being looked at, and generally have a negative effect, that's why forced exposure ads should be used carefully, other types of ads that will not harm the brand image and perceptions should be prioritized.

Secondly, email advertising has been widely used by businesses in the last decade, it offers ads at low costs and ability to be personalized and targeted precisely (Gopal et al., 2006). However, buying detailed and accurate email database can be expensive; furthermore, it is questionable whether consumers look at them at all. The Internet users often find themselves overwhelmed by the messages which are not always wanted or reliable (Hardwick et al., 2012).

Nevertheless, online advertising is one of the elements in shaping consumer buying process. Several studies (Wang and Sun, 2010; Brettel and Spilker-Attig, 2010) indicate that online advertising impacts on purchasing intention variously from one country to another and which is due to differing beliefs, attitudes and behavioural responses. Wang and Sun (2010) find that a country's cultures, history, political system, technological and economic development and market development have impacted on purchasing behaviour via online advertising. They revealed that Romanians, with less advanced technology than Americans, find online advertising more credible and informative, while Americans are more likely to buy online because of their comparatively richer experiences with surfing the Internet and being able to differentiate credible advertisements. Brettel and Spilker-Attig (2010) claim that Hofstede's culture dimensions are significant. They find that French consumers, characterized in terms of uncertainty avoidance (*ibid.* p.188), prefer to buy from websites they know about and from which they had previous online purchase experiences, Americans look at the prices



firstly rather than the websites. Mohammed and Alkubise (2012) note that consumers' certain demographic dimensions are influential on buying intention via online advertising, those such as income, Internet skills, Internet usage intensity per day are critical factors, for example, better Internet skills enable individuals to have higher Internet usage per day and greater acceptance of online advertising and buying intention.

Thirdly, trust has significant influence on online transactions. Lee et al. (2011, p.199) find that the information conveyed by an online advertising has an influence on purchase intention if users trust the website. Moreover, they find that online consumer reviews are more credible and influential on purchase intention when the Internet users trust the website; another study by Mohammed and Alkubise (2012, p.213) reports that online advertising is more influential on purchasing intention if they are displayed on a reputable website.

Fourthly, online word-of-mouth is found being a technique to help acquire new customers and these customers have more value on a long-term basis for businesses (Trusov et al., 2009; Villanueva et al., 2008). However, Brown et al. (2007) argue that online word-of-mouth, in particular by social networks will depend on the support from the websites and the contributors.

It's acknowledged that conventional much-maligned ads such as banners have decreased by more than half since 1998; the emergence of SNS brings in opportunities for a new stream of online advertising, integrating the existing and incorporating new formats (Li and Leckenby, 2004). A review shows that online advertising techniques have evolved and tend to shift from a focus on the traditional 'push' ads, e.g. static and animated, banners web ads to integrate and emphasize on creating interactivity and online interactions at brand level (Gummerus et al., 2012). The trend on the shift is a result of technologies advancement (Ateljevic and Martin, 2011; Parsons, 2013) and enabled consumers engagement in online communities (Fill, 2009; Royo-Vela and Casamassima, 2011). Given that online advertising is one of the elements shaping consumer buying intention in the buying process, there are increasing studies related to SNS advertising in recent years (Olin, 2009, p.5), studies have examined the phenomenon from consumer and company's perspectives.

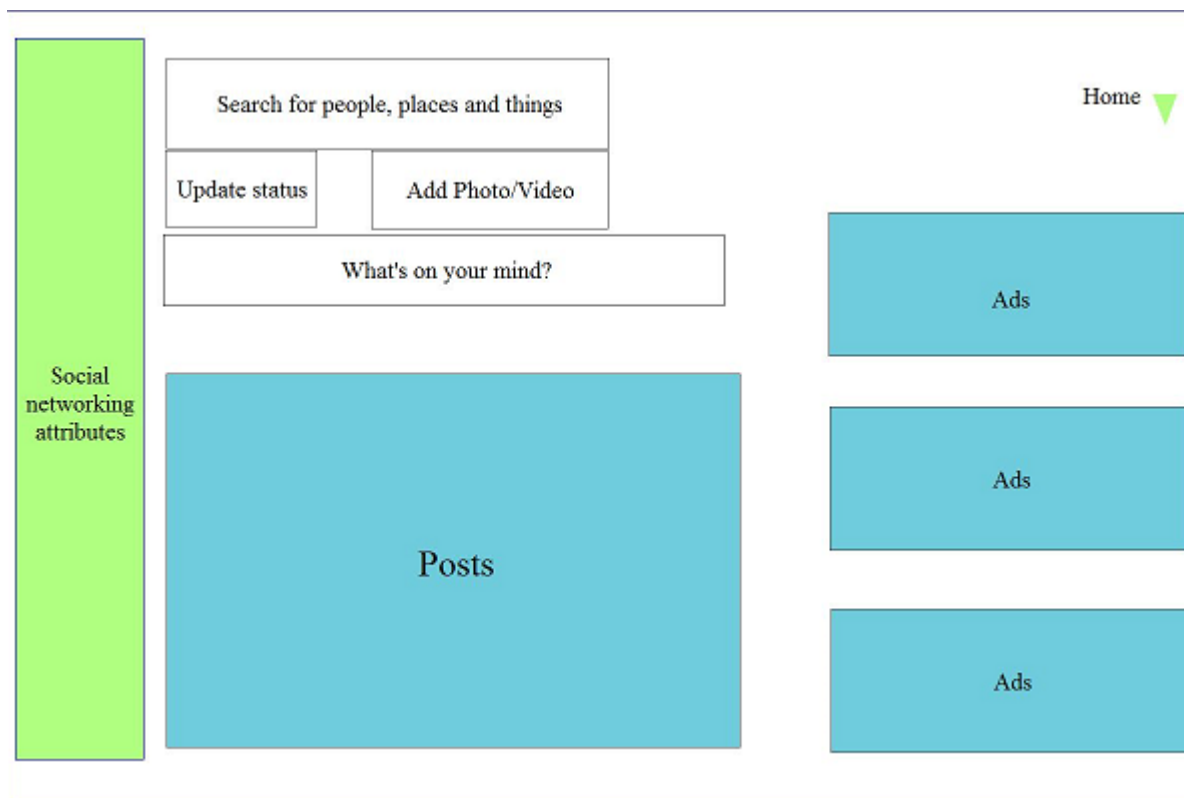
## **Facebook online advertising in the mobile phone industry**

### **Facebook direct advertising**

Facebook offers direct advertising tools to any user against a payment, to advertise a product/service. On Facebook pages, the right-hand 'column' of the news-feed page or of

the 'photos' page is where a number of direct ads are designated at one time (Marshall and Meloche, 2011, p.20), shown in Figure 1. Advertisers can design their ads by selecting a title, image, text and a URL to which the viewers will be redirected by clicking the advertisement.

**Figure 1. An indication of online advertisement on Facebook news-feed page**



(Source: adopted from Facebook, 2014)

The scholars (Weintraub, 2011; Carter, 2011) claim that Facebook offers a powerful targeting medium. Advertisers can choose among several targeting attributes, such as country, state/province, city, age, gender, user interests, relationship status, workplace (Carter, 2011). For example, a search of attributes may include women *and* living in France *and* 25 years old or more *and* liking football *or* Basketball, and then the advertiser will know an estimated reach of their ads (Wentraub, 2011, p.38; Olin, 2009). Given that Facebook has a large amount of users; it seems not difficult for a large company to reach its mass audiences. Carter (2011) addresses the point that Facebook ads can reach an audience as large as TV and radio ads can for a cheaper price and sometimes with better targeting. With regards to the costs, it appears that advertisers can choose between PPV (pay per view) or PPC (pay per click), to pay each time their ads is displayed or pay each click by a user on

their ads. In addition, Facebook provides advertisers valuable information such as the Click Through rate (Marshall and Meloche, 2011), the information on the amount of traffic visits. Finally, Facebook enables advertisers to schedule their marketing campaign by choosing an end date or let the campaign run till the budget runs out (Olin, 2009), which is useful for campaign planning and operations. Nokia is an example that has already used Facebook for direct advertising as part of an advertising campaign. In 2010, it released a new platform that offered a free download of a map app, the result was positive that the Nokia Facebook page received over 100,000 connections in January and February, the page has received over 1 million connections by June (Keath, 2012), demonstrating the speed and online mechanism of connecting interested groups Facebook offered.

### Facebook FAN Pages

The Fan Pages evolves along with the expansion of Facebook, according to Treadaway and Smith (2010, p.93) these pages have become businesses' favourite for communicating with consumers, establishing a corporate presence and keeping consumers informed. The Fan Pages are designed and created by people with distinct personalities rather than individuals in the public. From commercial perspectives Fan Pages can be used by any entities, e.g. brand, musician, politician, association, sport teams, TV shows that wish to engage in marketing via Facebook (Levy and Carter, 2012; Parker, 2011). Businesses can advertise their products by uploading photos, videos, creating polls, posting promotional codes, news release, organizing competitions, all of which are displayed in the news-feed of the users who liked/subscribed/became fans of the page.

Another important feature of Fan Pages is that users can provide their opinions, e.g. those of new products, debating with other customers, writing on the company walls, asking questions to and getting replies from employees, all of which are through various posts or through private messages to the company (Awl, 2009; Levy and Carter, 2012). Accordingly, businesses have established channels for getting feedback and managing relationships with customers (Skellie, 2011; Zarella and Zarella, 2011) and possibly increasing at the same time, customer satisfaction and brand image/or awareness (Davis, 2014). However, the results may be two-fold. If a company does not use the rules in managing the online communication by being 'sales focused' and without 'starting a conversation', customers may be disappointed and dislike the Pages (Kerpen, 2011, p.183).

Finally, Facebook enables reachability of informing and sharing favourites with Facebook friends (Zarella and Zarella, 2011). A user may become a fan just because his friends

influence the decision. Businesses may have to compete with other Fan Pages and to establish strategies for differentiating themselves and converting visitors into Fans, and finding ways to discourage Fans to click on the “unlike” button (Zarella and Zarella, 2011; Parker, 2011).

Samsung, for instance, used Facebook and in particular Facebook Fan Pages for a part of an advertising campaign. Samsung was able to increase its brand favourability by 10 points; Facebook was reported to being attributed to the remarkable sales revenue of the new model in 2012 (Samsung-Telecommunications-America, 2012). Indeed, Fan Pages can be a powerful tool for increasing brand awareness, sales promotion and customer relationships management. However businesses need to be careful in managing customer expectations via Fan Pages, otherwise there can be negative results.

### Facebook groups

The last important tool largely used by companies for marketing purposes is Facebook Groups. The Groups used to be mainly, appropriated by companies, but they have evolved over time to become more temporal and topic oriented (Zarella and Zarella, 2011). Basically, any Facebooker, e.g. employee from a company, a group of friends or a small or large company can create a group sharing the same interests. The Pages allow the creators to offer more information on the entity as if an official website, however the Groups have an advantage over Pages, in that the administrators of a group can message members directly on their private Facebook inbox which is considered more engaging and powerful than just a notification (Parker, 2011, p.94; Zarella and Zarella, 2011, p.71). Therefore, the Groups are more of a short-term solution for businesses to communicate with a portion of customers on specific topics. They can be used, for example, to get customers opinions about new products release and for launching a competition with a prize draw. Groups can be used for marketing purposes, but the Pages seemed to have been adapted for official and long-term marketing presences of which mobile phone companies have chosen.

Mobile phone companies have already used Facebook as part of their advertising campaigns, yet there are limited empirical studies in online ads on SNS and particularly that of Facebook, the most popular SNS (TNW, 2013). Existing studies are mainly from advertising and branding perspectives (e.g. Hoy and Milne, 2010; Logan, 2013; Malhotra et al., 2013; McLaughlin and Lee, 2011; Parsons, 2013; Villiard and Moreno, 2011; Wen-Kuei and Meng-Sheng, 2013; Yunmi, 2013). Few studies, if any, have looked into the consumer

buying decision making process, this being crucial to how consumer make a purchase through a series of steps.

### Buying decision making process (BDP) in the mobile phone market

In examining consumer behaviour in buying decision process scholars (Ferrell and Hartline, 2011; Fill, 2011; Lamb et al., 2012; Reid and Bojanic, 2010) identified 5 steps sequence in the purchase of a product or service (Jobber and Ellis-Chadwick, 2013; Kotler and Armstrong, 2014), including problem recognition, information search, alternative evaluation, purchase decision, post-purchase evaluation.

#### *Need recognition*

Needs recognition concerns with motivation of buying, as Noel (2009, p.89) underlines, it depends on “*personal relevance, perceived risks and a consumer’s personal values*”. Vries (2005) points out that in the early days of mobile phone market in 1980s, the motivation to buy and use a mobile phone was business oriented, to communicate with clients and colleagues quickly. Along with the decrease of the prices, the motivation evolves and mobile phone ownerships spread to involve a larger audience, more demands have emerged and the motivation to use a mobile phone become social-oriented to communicate with friends and family via calls and sms (*ibid.*). The motivation is then driven by consumers’ needs to reach their family, friends and colleagues with speed, share pictures, and access the latest news (Wei, 2008). Therefore, the decisions of purchasers are dependent on one’s needs whether social or work contacts. The need recognition seems to have risen every year (Karjaluoto et al., 2005). The main reasons for buying a mobile phone appears to include: the phone is broken or does not work properly, customers want new technological features, and customers want to follow the fashion or “*get an innovator and/or opinion leader status*” (*ibid.* p.71).

#### *Information search*

Information search takes place to solve the need/want for the new product. Many sources of information have been recognized, including consumers past experiences and those of friends and family, TV commercials, Internet, magazines and consumer-rating organisations, and those through examining or testing the product itself (Fill, 2006; Kotler et al., 2009; Lamb et al., 2012). As Reid and Bojanic (2010) underlined, the nature and the length of information search vary from different consumer needs and different markets. Karjaluoto *et al.* (2005,

p.64) argues that before being engaged in a BDP, consumers have already formed preferences and therefore are likely to limit their information search and are unlikely to look properly at every alternative on offer. In the mobile phone industry, it is discovered that consumers prefer word-of-mouth, consumer reports and price comparisons from shops as the sources of information (Turnbull et al., 2000). Moreover, the same study underlined the lack of trust of consumers towards the salesperson, resulting in a tendency of not relying heavily on the salesperson for information search.

#### *Alternative evaluation*

After being exposed to marketing stimuli, consumers enter into a process of perception, this process enables consumers to establish a meaningful picture of different alternatives (Noel, 2009, p.93) based on a range of commercial offers. Regarding perceptions of the market, an observation has been made clear by several studies is that, mobile phone markets have been considered as confusing by consumers for many years and this confusion affects their BDP (Ali Smadi and Al-Jawazneh, 2011; Kasper et al., 2010; Turnbull et al., 2000). Turnbull et al (2000, p.148) found that consumer confusion in the UK was mainly due to the number of operators, the promotion activities, the technology offered, the tariffs and billings policies, the services offered and the government regulations. These confusions lead to a high churn rate with users looking for the best deal in the prices of service.

Kotler et al. (2009) summarized consumer evaluation of alternatives into rational or irrational approaches, ranked by importance. While a the rational approach represents customers' rational criteria such as high Internet speed, a large memory capacity and quality camera, irrational approach relates to consumer's emotional and psychological needs. Pakola et al. (2003, p.4) find that consumers value the attributes price and properties of much importance among all alternatives during mobile phone purchases. In addition, they reveal three factors have influences on BDP, the manufacture (e.g. image, service and properties), the Telemarket conditions (e.g. price, audibility, service types and free calls) and the influential persons (e.g. salesman, family, employer and friends); the manufacturer being the most influential. The results are consistent with studies by Isiklar and Buyukozkan (2006) and Horvath and Sajtos (2002), which highlight functionality and technical features and brands being the factors in the BDP. Kimiloglu et al. (2010) identified consumer segments, shown in Table 2.

**Table 2. Behavioural Segments in the Turkish Mobile Phone Market**

<b>Segment 1: Pragmatic</b>	<b>Segment 2: Abstemious</b>	<b>Segment 3: Value-conscious</b>	<b>Segment 4: Charismatic</b>
Functionality, Design, Safety, Duration, Practicality, Durability.	Mainly Functionality and Design. Then, Practicality and Durability.	Mainly Price and Payment conditions. Then, Practicality and Durability.	Nearly all the criteria are important for this segment.

*Source: Adapted from Kimiloglu et al (2010)*

Kimiloglu et al.'s (2010) findings reported 4 segments in Turkish mobile phone market, Pragmatic, Abstemious, Value-conscious and Charismatic segments, representing the notion of 'price and property' of being importance, these are drawn upon the evaluation of alternatives.

#### *Purchase decision*

The purchase intention takes place when a customer has made a choice but did not buy the product yet; unexpected events may affect the act of purchase itself (Ferrell and Hartline, 2011). If a customer does not change his mind, or his family and friends do not make him change mind and the product is in stock, then the act of purchase follows (Ferrell and Hartline, 2011; Kotler et al, 2009). Meyer-Waarden (2008) finds that loyalty programmes have positive effects on the purchase in mobile phone industry both in terms of amount spent and frequency of purchase; however, they have negative impact when there are omnipresent, undifferentiated and un-worthy rewards, and then consumers saturate and do not consume more unless a more advantageous programme are on offer.

#### *Post purchase evaluation*

Finally, post-purchase evaluation is the post-purchase feeling of customers. That feeling grows with the use of product and with the customer becoming aware of "superior alternatives" (Fill, 2006). Kotler et al (2009, p.253) note, if the customer experience "dissonance" he will try to reassure himself about his purchase by looking at the good features of the products or by being alert to information congruent to his decision. Pezeshki et al (2009) have studied the sources of satisfaction and dissatisfaction in post-purchase evaluation, the findings indicate that the main sources of dissatisfaction are the range of phones, the accuracy of billing and payment and the service plans, and those of satisfaction are customer service quality, value for money and network performance (*ibid.* p.82). It appears that the manufactures being able to provide the quality and value are the competitive points for sales in the markets.

Tajzadeh and Vahid (2012) found that in the Iranian mobile phone market, corporate attitude affects brand attitude and that in turn, brand attitude affects product selection. Regarding the features of mobile phone, Ali Smadi and Al-Jawazneh (2011) discovered that customers believe the higher the price of the product, the better the quality and therefore the better the attitude towards the product. Horvath and Sajtos (2002) studied the role of product design and discovered that users have a better attitude towards mobile phones with a good design because they think the latter influence the functionality and the ease of use. Moreover, as mobile advertising became more and more popular, studies examined user attitudes towards sms-advertising programmes. Al-Alak and Alnawas (2010) find that consumers being exposed to too much sms-advertising, they tend to develop negative attitudes towards the brands using such programmes. However, when it comes to situations where customers understood the advantages and benefits of the programmes, his/her attitude was greatly positive. Luxton *et al* (2009) also argue that entertainment and credibility are two factors which strongly influence consumer attitudes towards sms-advertising. Finally, an Oracle report (2011) underlines that the UK consumers are one of the most satisfied in their online customer services in Europe and therefore have developed positive attitudes towards the services. The UK customers are more likely to trust their operators more than the third-parties when making a purchase via sms; and that 66% of consumers would agree to receive advertising messages on a regular basis if offered incentives in return.

Our review shows that although there is intensive literature on the influences of buying decision process relevant to mobile phone purchase. Studies are notably broad from a marketing perspective, including macro- and micro-environments (e.g. Wang and Sun, 2010), markets (e.g. Turnbull *et al.*, 2000), buying behaviour (e.g. Luxton *et al.*, 2009), branding (e.g. Tajzadeh and Vahid, 2012), marketing communication (e.g. Pakola *et al.*, 2003), relationship marketing (e.g. Pezeshki *et al.*, 2009) and marketing 7Ps (e.g. Horvath and Sajtos, 2002). Interestingly, a new stream of studies has arisen in recent years, which focuses on the effects of online advertising on buying decision (Al-Alak and Alnawas, 2010; Trusov *et al.*, 2009), for example, a study of formats of online advertising (Sathish, 2011; Li and Leckenby, 2004), and more specifically that of online social media on buying decision (Poyry *et al.*, 2013; Yousif, 2012). A review of online advertising indicates that the existing literature has identified certain factors affecting the buying decision, e.g. income level and Internet skills (Brettel and Spilker-Attig, 2010), trust (Ferrell and Hartline, 2011), little research however, has examined how consumers respond to those online ads. For example, Smith (2013) finds that brand presence on Facebook has effects on consumer actions for that brand, Poyry *et al.* (2013) claim that companies' Facebook pages are platforms of maintaining communities but unlikely for profit. Most studies employed a questionnaire



survey approach (Hutter et al., 2013; Wen-Kuei and Meng-Sheng, 2013). Very little research has investigated systematically consumer behaviour in the use of SNS online advertising in the buying decision process, or offer explanations on the how and the 'why'. The purpose of this study is to fill in this gap to provide references on how marketers meet consumer expectations and influence their buying processes.

## Methodology

In examining the key question here of Facebook advertising tools and their effectiveness, the research method used was underpinned by a qualitative based, interpretative perspective (Marshall and Rossman, 2010). Drawing on semi structured data in the form of personal interviews and a focus group, the research sought to obtain access to the perceptions of individual consumers involved with using the social networking site Facebook as previously discussed. Hackley (2003) points out that an interpretive approach to research is designed to generate accounts of experience as data and in line with this, the research was intended to elicit depth understanding of key issues associated with the focus of the inquiry. This understanding is a form of subjective reality, which already been made sense of by its adherents, i.e. those about to be investigated, and so the researcher must try to understand actor's interpretative devices which provide insights into action (Silverman, 1970). With qualitative research being concerned with small numbers and importantly, with considerable depth of understanding linked to theoretical relevance data was not generated in an attempt to excavate universal truths. So the research approach here is idiographic, and is not intended to be viewed an antecedent to a quantitative statistical study. The intention was to generate insight into the ways in which the social reality of those using Facebook is constructed. Consequently, sampling approaches involving notions of generalising to one major external reality were not applicable. In any case, this type of concern can be seen as being incompatible with an interpretive approach which sees the data of the study as meaningful and as an end in itself (Hackley, 2003). Of course, it is possible to draw significant theoretical inferences from the data. In particular here, In order to better facilitate the process of discovery and analysis, the research design utilised an inductive approach, where observation preceded theory generation (Vanderstoep and Johnston, 2009). This enabled the researcher to attempt to discover from a wide ranging basis, issues pertinent to Facebook, mobile purchasing and consumer behaviour.

Clearly, the topic of the research encompasses a wide area, i.e. consumer behaviour, so the qualitative interview technique made it possible to discover particular dimensions of this; these being consumer's attitudes towards Facebook and mobile , its corporate identity and

attitudes toward the use of advertising on the same platform. The research involved the population under investigation being drawn from British consumers having a Facebook account. In regard to the sample, the respondents were selected from one city in the UK. The interview sample was consistent across both locations where the research was carried out, being a city high street and its immediate surrounding area, and a university library. The sample was comprised of vibrant young professionals engaged in education and training at the local University and all were aged between 18 and 34 years old. Chosen respondents were therefore young, educated, independent and confident, having busy lives and focused on developing their careers. The researchers purposefully selected those with experiences of being Facebookers. The intention was not to lead to generalization of the results to a broader population as indicated above, but it allowed the research to capture behavioural characteristics of those under investigation and to address the theoretical concerns of the study here (Patton 2002). It is suggested however, that subsequent findings do likely have important ramifications for marketing strategy and could form the basis as well, for further study.

It was considered necessary to firstly carry out pilot interviews. An important issue in research is to ensure that sufficient preparation has gone into the construction of the research instruments used, so as to maximise their subsequent utility (Mooi and Sarstedt, 2011). Two respondents were interviewed separately for the interview pilot, in order for the researcher to test and enrich the research themes. Some answers were unexpected, thus enabling the researcher to adapt the pre-established questions and add more specific ones for the main study. The interviewer was also able to establish if any of the questions were not really understood by the interviewees, facilitating again, a refining process. Additionally, it was considered important to carry out a pilot study in the high street location, in order to ensure that the interview worked there equally as well as in the library area. No problems were identified with the interview process on the high street as a result, where three respondents participated in the pilot study.

When it came to collecting data from the university library, location, potential respondents were contacted prior to this through a messaging process on Facebook, using lists in one of the researcher's network, principally composed of young university students as indicated earlier. In relation to this list sample selection, this was based on ease of reach, i.e., geographical closeness and availability to the researcher, processes that define the non-probability, convenience sampling technique (Merriam, 2009; Krysiak and Finn, 2010). The network list, was derived, from friends, friends of friends, and friend's colleagues. Importantly, the researcher chose not to interview people known to them, in order not to potentially bias the results of the interviews; it is well recognised that interviewees may well provide answers to questions that they think the interviewer - as friend - wants to hear

(Stevens et al, 2006). Another danger is that researchers may well not explore in sufficient depth the answers of friends, thinking they understand them fully anyway (Seidman, 2006). In terms of the high street interviews, none of the respondents were known to the researcher. In this part of the process it did take some additional time to identify the sample population and also time to explain what the research was concerned with, as it was not a case of sending messages to interviewees in advance. This also applied to the focus group respondents as well.

In conducting an inquiry, a number of authors (i.e. Liedtka, 1992; Bryman, 2008; Frechtling & Boo, 2012) underline the need for interviewees to be aware of the scope of the research in order to knowingly consent to participate. In terms of the university library research messages that were sent out introduced the researcher, the research topic and what was expected from the interviewee and the approximate time the interview would last. Also in the messages, the dates and times at which the researcher was free for carrying out the interviews were indicated, in order for potential participants to feel immediately engaged. At the end of the message, the researcher pointed out that the answers given during the interview would remain confidential and anonymous. Anonymity and confidentiality are two important aspects of research ethics (Oliver, 2010; Gray and Webb, 2010). Participants for example, were told what kind of questions they could expect to be asked (Gillham, 2005; Sapsford and Jupp, 2006). Respondents were also informed that their answers would only be used for the purpose of the research. In terms of the interviews conducted in the city high street an identical process of explanation and consent was also carried out, although this was completed on an immediate verbal face to face basis and clearly on occasions, it was necessary to screen out those who were not university students.

Across both interview locations, a total of 25 consumers were involved in the research between November 2012 to October 2013; 8 in-depth interviews were carried out on the high street, plus one focus group consisting of 4 respondents and then a further 13 interviews were conducted at university library, where quiet rooms were used. All interviewees accepted the request to audio record the interaction, so the researcher only had to write down those things which could not be recorded, like body language and its relationship to spoken answers (Anderson, 2004). Most of the questions were designed as open-ended so that we could understand the opinions and feelings (Holstein & Gubrium, 1995). In terms of conducting the interviews, the researcher had prepared in advance a list of general themes and questions to address, to be sure that nothing of key relevance would be missed out. Sometimes the interview started with a brief general discussion, perhaps unrelated to the topic of research, in order to make the interviewees feel more at ease and more talkative. As the interview progressed, the researcher introduced questions often through a process of

probing the individual respondent's circumstances and perceptions (Gillham, 2000). If the researcher was not sure about what the interviewees meant by an answer, then respondents were asked to reformulate their words in order to clarify particular points (Holstein & Gubrium, 1995). Each interview was around 30 minutes and the focus group interviews lasted for about an hour and twenty minutes. In terms of the analysis of results, Saldana (2011) argues that the researcher need only transcribe what directly relates to their inquiry, a process followed in this study. The researcher listened several times to the audio recordings and transcribed the passages addressing the main conceptual areas of the study. Each interview was transcribed right after the interview and became a part in the analysis process (Corbin and Strauss, 2008). A form of thematic discourse analysis was used in order to help the researcher gain a deep sense of the interviewees' words (Paltridge, 2006). With a small number of respondents in the focus group and all contributed, both forms of interview generate similar nature of qualitative data (Patton, 2002). Through immersion in the data, comparisons and links were made by constant shifting backwards and forwards within each transcript and across the data set (Glaser, 1978). When displaying qualitative data, the common mode of presenting findings is through the use of selected quotes. Here, the interviewee responses were broken down into meaning units and resulted in a number of important research themes being identified, which will now be discussed in the following section.

## **FACEBOOK ADVERTISING AND PRE-PURCHASE BEHAVIOUR**

Looking into consumer perception of Facebook with a focus on 'what is Facebook' helps to form an understanding of the BDP, where online ads are placed. Five stages constituted the buying process, including need recognition, information search, alternative evaluation, purchase decision and action and post-purchase evaluation. These are consistent with Fill's (2009) model, however this study elaborates more on purchase action.

### **Facebook: consumer perception and behaviour**

Online ads are built on the Facebook platform, consumer perceptions towards Facebook per se is a part of their online engagement with its online advertising as a whole. The respondents had a positive impression:

*'... yes, I have a Facebook account ... visits vary, sometimes many times/day ... or 2-3 times/day and generally ... several times a week ... love to know what my friends are doing ...'*

The attitude favoured in Facebook indicated their willingness to use it. Facebook had been a convenient tool for keeping in touch with friends socially; this was one of the keys for using Facebook:

*‘... like it ... for keeping connected with friends ... handy to use ...’*

*‘... keep in touch with friends ... my friend, she is in another city ... she knows what I am doing on a daily basis ... if we are going to have a party she would probably join in ...’*

Linking is the key credited to the online community of Facebook. For example, users maintain contacts with their friends, those ones living nearby or far away, facilitating connectedness and lasting friendships. Facebook makes communication easier. That the website was free to use was also acknowledged, “... and free usage of the website”, being the attractive point to the users. Interestingly, Facebook became a preference for work related contacts:

*‘... I use Facebook mainly for work purpose ... like arranging group work meetings ... generally I don’t chat socially with friends on Facebook ... I’m an observer, I like to see what my friends are doing, how they have been .... by looking at their conversations on Facebook, if some issues were interesting, I’ll probably start to talk with them on Facebook ... and do something or relate to other friends ... I’m too busy ...’*

For work purpose, Facebook had been a favourite tool for managing the contacts in small scale projects and for arranging group meetings, Facebook was highlighted as a key tool for linking people for work purpose. There is a spectrum of usage behaviour. As shown in Figure 2, the two ends of the spectrum represent two extremes of social and work purposes, while the above respondent represents usage behaviour tending towards point B; those socially oriented usage tends to towards A.

**Figure 2. Facebook usages**



So there is a mix of purposes for both social and teamwork of meetings, ‘... I used it for both ... sharing photos with friends, things like that ... we set up a Facebook account for our group work ... meet weekly ... use it for organizing group meetings ...’ This stream of behaviour is located at some point between A and B, shown in Figure 2.

While there were positive impressions towards Facebook, a neutral attitude existed.

*“... It’s O, I do not (visit) very often ... I have an account but ... I’d like to go out more ... those used it more might not go out often ...”*

The respondents commented on the format of Facebook being online and compared it with the engagement of off-line activities. Going out with friends became a reason for not being on Facebook at the time. Two commented that the photos shared online being ‘devalued’, as ‘... they are not the same as photos you can hold in hands ... but better than nothing ... social media is a half-way house ...’ This indicates that whilst electronic social media being an effective tool for linking and enabling online social exchanges with speed and convenience, however an emotional value transferred by off-line communication such as by posts and face-to-face exchanges is irreplaceable despite of the popularity of ICT.

None replied with a bad image of the company, only one was reserved about it. The main reasons for neutral and negative perception towards Facebook were trust, privacy, confidentiality and security issues, and spamming activity.

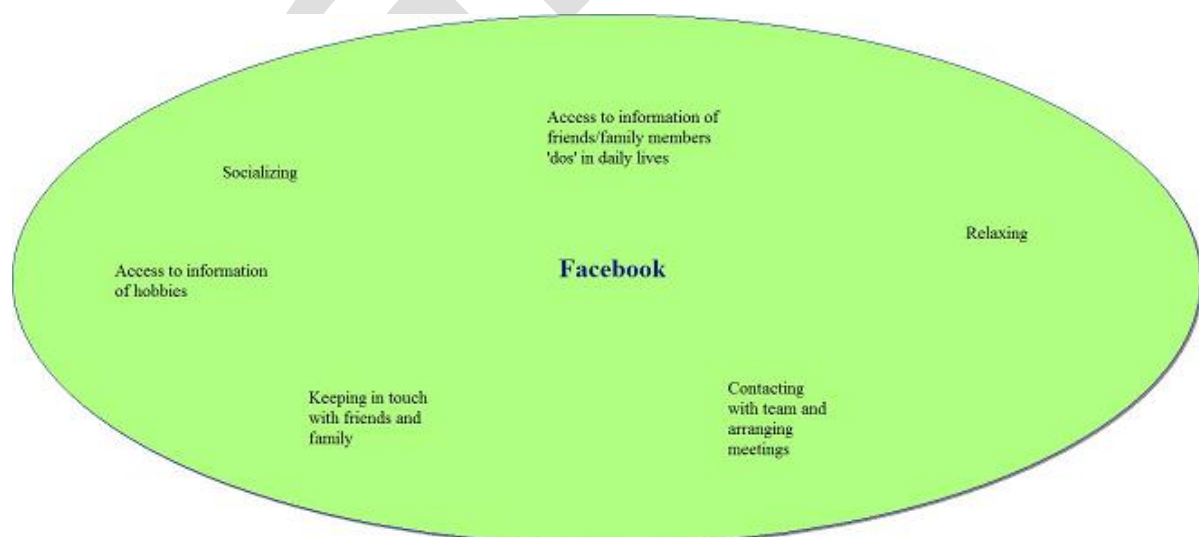
*‘Facebook sells the personal data of its users and then they exposed their personal lives ...’*

*‘... There are strangers who sent you requests to make friends ...’*

*‘... no, I do not trust the site ...’*

However they kept on using the social network. To them, Facebook’s advantages took over its disadvantages. Figure 3 summarizes the respondents’ perceptions of Facebook.

**Figure 3. Consumer perceptions of Facebook**



Feeling relaxed and entertained while socializing with friends and family members constitutes the benefits of using Facebook. In addition, respondents’ visits were for keeping information up to date with favourite hobbies such as musicians or TV shows. It has not

been largely considered a way for keeping up with organizations. Facebook becomes an online working tool for both social and formal networking, by being a platform and being an enabling mechanism for linking, entertaining and socializing, and in some occasions it serves as a social network database.

### Need recognition

In general Facebook advertising does not appear to be the direct source for raising buying needs. The needs emerged from several different situations. The most common reason was 'service operator contracts running out'. They would then look for interesting offers through a new model:

*... I bought the new mobile phone when the contract with ... run out ... then started to look for ...'*

In addition, mobile phones were broken or lost was another key drive on the need:

*'... I found it lost when ... was shopping in the afternoon ... was worried ... must have lost ... and then I started to (search for) ...'*

A mobile phone has become part of respondents' daily lives. The loss of a phone could affect their connection to others. In addition, simply pursuing a more fashionable model had not been the reason for purchases, as a respondent commented, *'as long as the phone was working ... I do not normally go with the fashion ... I spent on what I need ...'*

However, getting better features or fashionable models had become a few respondents' buying need regardless of contract lengths or a current model still worked well:

*'... I always keep an eye on the models other people surrounded using... and buy a new one even if ... still in a contract ...'*

They always looked for revolutionary features and kept eyes on what other people used, new revolutionary features would be what they looked for on new phones, *'... the Internet, touch screen ...'* One respondent emphasized, *'... well, being able to use Facebook (on the new phone) is essential ... my new phone must enable Facebook ...'*

Friends, families and acquaintances are influential on the need recognition.

*'... just got to know from my brother that he had got a new (mobile phone)... so I started to ... it's actually cool ...'*

The recommendations from family and friends impact on the respondents need recognitions in mobile phone purchases, though the needs were not directly derived from Facebook itself. In general, TV seems to be the only mass communication media that impacted on the respondents' need recognition. Opinions were much divided regarding other media such as radio, outdoor or cinema. Following the need recognition stage, customers start to look for

relevant information. At this point, there emerged some behavioural differences, impacted by Facebook advertising, in terms of the activity of different segments.

### Information search

Multiple sources were sought from different websites during the information search:

*“... I checked from different websites, spent hours on searching for information ... mobile phone companies ... service companies ...”*

The respondents were independent in searching for information. They took initiatives in looking for what they needed. Mobile phone companies' websites were generally the first preference and the key source. Meanwhile, consulting with a friend or family member is a key element during this stage; they also visited mobile phone service providers' websites *‘... I've never sought from Facebook; I normally go to the service providers' websites ... and use Google ...’* Multiple sources offered them more information to support their evaluations by triangulation, search engine acted as broking role in leading users to those websites.

Meanwhile, there were attitudes and behaviours shown dis-engagement with the ads, *‘...I'm too busy, I've never liked ads ... felt them irritating ... got software in my computer to block ...if I wanted to buy ... I'd search for information by myself ...’* such behaviours were shaped by the respondents individual characteristics and possibly lifestyles (Mohammed and Alkubise, 2012); while others showed insufficient trust (Lee et al., 2011) to the comments on the website *‘... no, I don't trust those comments, they can make ... by themselves ...’* This is consistent with their beliefs on privacy issues (Al-Alak and Alnawas, 2010; Simmons, 2012) and disconnections to who were strangers to them.

Nevertheless, Facebook Fan Pages and consumer reviews were viewed as a useful information source; a respondent intentionally and actively looked for product information by visiting a mobile phone company's Fan Pages, *‘... I looked for those customer reviews ... although they are not determinant ... I went to the ... Fan Pages ...’* Relying on the information from the Internet means that the respondent appreciate personal research and trusted the information provided. Facebook Fan Pages and customer reviews were useful in decision making. This could be explained by the facts that the respondents generally preferred multiple sources of information search for consequential decisions in that the comments on Facebook were not determinant. There were also instances that a respondent showed an empathic attitude, *‘... I'm not bothered about the ads ... I clicked on other ads but not mobile phones ... yes, I went to visit the service providers or companies' websites ...’*, which indicates a passive behaviour, while others were more receptive to mobile phone ads,



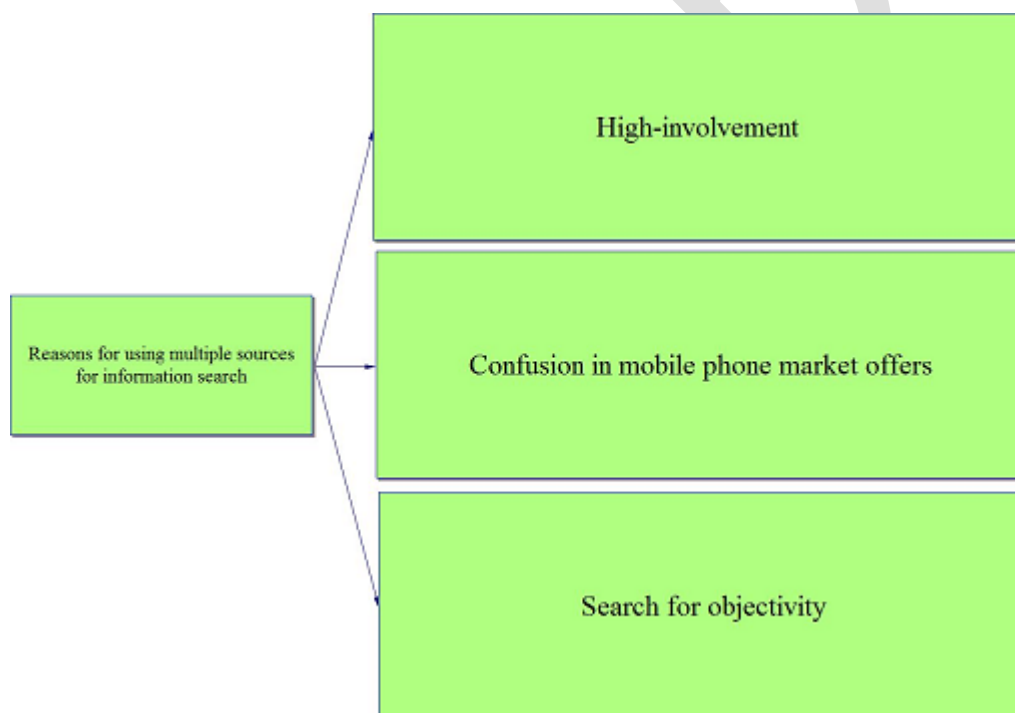
*‘... sometimes I looked at those customer reviews on mobile phones ... looked at the brand ... technical features ... but I’ve never been a group ...’*

While the Internet offered a convenient and speedy tool in searching for mobile phone products by young professionals. Nevertheless, traditional ways of information search remained:

*“... my Dad said that ‘we often went to the .... shop to actually look at ..., but for me, I did a search on the Internet and bought it from online ... it’s quick ... I can look for information anytime I want ...”*

Going to a mobile phone shop and being influenced by salesperson was preferred by respondents. After all, buying a mobile phone is an important decision for the individuals against other priorities in daily lives. To offer an insight, Figure 4 highlights three major reasons of using multiple sources.

**Figure 4. Reasons for using multiple sources in information search for mobile phone purchases**



The first is important which indicates the user involvement aspect. Indeed, the respondents explained their use of mobile phones every day, and therefore the choice of a right model was critical, *‘... sure, I made my own decision (on the purchase) ...’* The respondent perceived buying risks associated with the length of contract and against the price, *‘... I checked on different sources of information ... if a function or feature said by one was also*

*addressed by another ...* An appropriate model mattered to them, otherwise they would have to keep an inappropriate model and to bear with it till the contract ended, or have to spend extra to replace it.

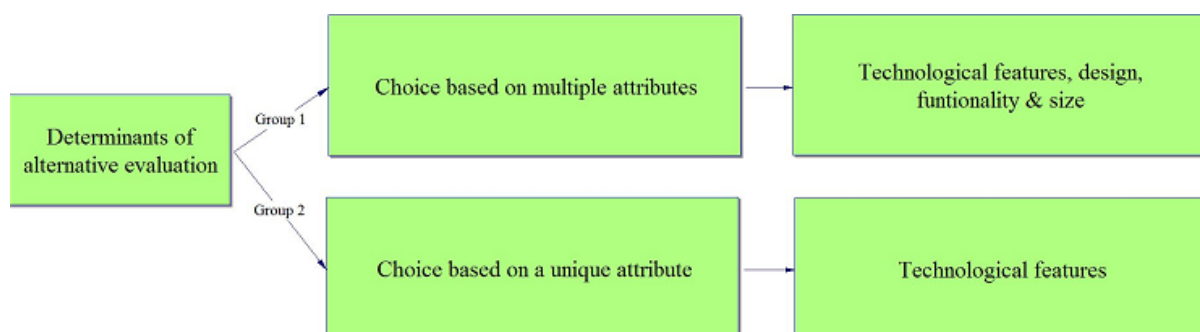
Although the respondents trusted the information available online, however, various market offers created confusions; this was reported as the second reason for using multiple sources for information search, *'... there were many results came up ... sometimes could be confusing ... it took me time to read all of them ... I generally checked different sites ...'* They felt the need to check more than one source so as to reduce the risk. The third was related to the second reason that the consumers sought, this being objectivity. Looking for different sources offered the respondents the chance to analyse information and to compare alternatives in an objective way.

### Alternative evaluation

Product attributes were considered important in the comparison of different phone models. Some respondents chose mobile phones based on several attributes. The most important being technological features, followed by design and functionality and size of handset, as shown by group 1 in Figure 5, *'... I always look for technological features at first ... look at the design ... style ... not too big but smart ...'* The result was interesting since the primary function of a mobile phone was to call and send text; however technological features appeared to be a key attraction.

In some cases, the evaluation of alternatives are based on a single attribute, shown in group 2 in Figure 5, for example, *'... it should have Internet connections ...'*, *'... for my mobile phone, it has to enable Facebook to work ...'*, enabling Facebook platform to work became an imperative function users were looking for due to their needs in online social networking. Nevertheless 'technological features' was preferred the most, in that the respondents expected a mobile phone should have access to the Internet, with applications being the determinant of their purchases; they did not bother much about other types of attributes.

**Figure 5. Determinants of alternative evaluation in mobile phone purchase decision**



For mobile phone manufactures these indicate that different consumers have emphases on different values. In addition, the factors influencing alternative evaluation was clearly recommendations from family and friends and customer reviews. Facebook Fan Pages were found to have the influence, '*... I bought a mobile phone recently ... on Facebook Fan Pages, some of them said ... buy (brand A) ... and others said ... buy (brand B) ... it does have influence on me ... and then I bought it (brand B) ...but I haven't join in any group ... no...*' Sharing experiences by other people who are in a similar age group helped the respondent made the evaluation on the purchase decision.

Furthermore, a respondent intentionally visited/subscribed to mobile phone brands Fan Pages, shown in Figure 5 reported, '*... the reviews on the pages helped me in getting opinions on (the product) ... compare ... and make the final choice ...*' The respondent valued those consumer reviews integrated with their own experiences.

#### Purchase and post-purchase

The final consumer decision was generally influenced by offers of loyalty programmes from service providers (e.g. Orange Wednesdays, rewards for loyal customers), '*... it took me some time to know all of them, eventually I chose one ... that's what I need ...*' However, the promotional offers exclusive to the Internet and/or social network users, '*... visited a few websites ... from service providers ... I normally wait ... till there is an exclusive offer ...*', the online promotion made them feel privileged and has been an attractive point for purchase.

Regarding the act of purchase, visiting mobile phone shop was a preference, buying online also became another key method. This seems to be contradictory to the preferences in the ways of Information Search, either on the Internet or shop visits, '*... I tend to go to the mobile phone shops ... you can touch it and feel it ...*', visiting shops provided customers the opportunity of having the physical touch and sense of the products. Talking to a salesperson provided reassurance, also offering information and knowledge on mobile phones.

To some respondents whether buying online or offline was not an issue rather where the better deals were, '*... I go with wherever better deals are ...*' they felt it much easier to compare offers and look for information online. They reported some occasions when having being influenced by salesperson however might have missed out a good deal online. A small part of sample was ready to buy online as a result of search and visited mobile phone shops, but wouldn't do so without those evaluations.

In addition, the respondents were sympathetic to the reasons behind Facebook advertising, as a respondent commented, “... *they have to survive ... they have to make money ... but as long as that is not too much ...*” Furthermore, it took 1-3 weeks to make a purchase decision, and only very few took less than 3 days. This could be related to the high involvement purchase, confusions of the market and searching for objectivity.

For post-purchase evaluation, none of the respondents reported leaving comments on the Facebook Fan Pages or sharing experiences, the reason being that they had never thought about it or not bothered, ‘... *I know some people do (leave feedback), no, I don’t ... I haven’t got that time ...*’, and another, “... *I’d like to share the (purchase) experience ... but not necessarily on Facebook ...*” These reflect the point addressed in the previous section on how the respondents view their purpose of using Facebook, being non-commercial but social purposes.

#### Discussion: Behavioural segments in mobile phone purchase

As shown in the previous section, Facebook online advertising is found to have an impact on pre-purchase stages, namely information search and alternative evaluation. Table 3 summarizes the five consumer groups that emerged in the pre-purchase decision making process. Each group represents a different pattern of user behaviour.

**Table 3. Behavioural segments in buying decision approach related to Facebook advertising in mobile phone purchase**

Main segments	Descriptions	Key words
The avoider	Never visited mobile phone brands Fan Pages and never look at direct advertising; install a program on the web browsers to prevent the advertisings from being displayed. Being irritated by advertisings and to avoid them purposefully. Taking the initiatives to actively look for information, being highly influenced by friends’ and families’ advices and by customer reviews.	Block the ads; Irritating; Install software.
The suspicious	Almost never look at direct advertisings on Facebook and never visit mobile phone brands Fan Pages; do not want to share personal information on Facebook and do not trust the information displayed on Facebook when buying a new mobile phone.	Never look at those ads; Not subscribed to Fan Pages; Spam; Can make (the information available) by themselves; Won’t trust it.
The passive	Never visited mobile phone brands Fan Pages (do not know about the existence, or never really thought about it); probably look at direct advertising on Facebook, but never	Never look at the ads; Know there are ads; Never clicked; They have to make

	click on the mobile phone ones: have a passive “commercial” behaviour; mainly use Facebook to keep in touch with friends or family members, to socialize; and are not interested in commercial information.	money; But not bothered about the ads; Clicked on other ads but not mobile phones’.
The receptive	Visit mobile phone brands Fan Pages in order to keep up to date with the products of the brands and to be aware of any promotional offers. They ask advices from friends and family members when they plan to buy a new mobile phone rather than visiting mobile phone brands Fan Pages.	Visited Fan Pages of (a mobile phone brand); Looked at comments; Looked at reviews; Affected my choice;
The active	Visit mobile phone brands Fan Pages with the clear intention to obtain information on a product; plan on buying (especially like customer reviews on the Pages); sometimes look at direct advertising on Facebook.	Visited Fan Pages of (a mobile phone brand); Looked for special offers; Clicked on direct ads.

Facebook advertising in mobile phone purchasing becomes a part of users’ engagement in information search and alternative evaluation stages. None of the respondents’ actions of purchasing mobile phone were conducted by clicking a link of a mobile phone seller’s website; none chose to be re-directed to a mobile phone seller’s webpage after Facebook visits. None of them shared post-purchase experiences on Facebook. There are two extremes of online advertising engagement behaviour with ‘The avoider’ at one and ‘The active’ at another, in pre-purchase stage of the decision making process. The Facebook advertising appears to be more influential on ‘the active’ information search in the buying decision process than on ‘the avoider’. Avoiders are those who were not affected by Facebook in the purchase decision, never visited the brands Fan pages and never looked at direct advertising. This is in contrast to ‘the Active’. ‘The Avoider’ group installed programs on their web browsers to prevent the advertising display; they were irritated by advertising and purposefully avoided them. They prefer to look for information proactively when they needed to buy a mobile phone and were influenced by friends, family and customer reviews from other sources, whereas ‘the ‘Active’ visited and intended to obtain information on mobile phone Fan Pages. They sometimes looked at direct advertising on Facebook.

In the middle, there are the ‘Suspicious’ and ‘Passive’ as the second and third segments, both segments are featured by non-visits to the Fan Pages and non-direct advertising clicks, ‘the Suspicious’ didn’t want to share personal information and were suspicious towards the comments on Fan pages and never looked at the Fan pages, and ‘the Passives’ might look at direct advertising but they mainly used Facebook for socializing with friends and family. They are empathic to the online ads on Facebook. The ‘Receptive’ segment was different from the ‘Passive’, they visited the Fan Pages in order to keep up to date with the products/or brands, they were aware of promotional offers, however being less active than

'the active'. All used many sources of information to reduce perceived risks; the respondents did not see the purchases of mobile phone an easy task.

Our research shows that most Facebookers use Facebook only to keep in touch with friends and family members for socializing and as a way for relax, therefore, it is not surprising that there are segments that are not receptive to Facebook advertising. Our finding contributes to the literature by showing that Facebook online ads have influence on pre-purchase stages, namely information search and alternative evaluation in consumer decision making process of mobile phone purchase. Five consumer segments were identified; the Avoider, the Suspicious, the Passive, the Receptive and the Active. This study provides a portfolio of user Facebook online behavioural segments, differing from that of Kimiloglu et al. (2010) where segments are based on user preferences on price and properties of the mobiles.

Regarding the motivation of mobile purchases, this study confirmed De Vries' (2005) and Wei's (2008) view that states individuals buy mobile phones not only for work, but also for socialisation purposes. This research demonstrates that consumers constantly access new technologies and show their social group belongingness. Many studies addressed the mobile phone market as a confusing one, having an impact on consumer BDP (Turnbull et al., 2000; Kasper et al. 2010; Ali Smadi and Al-jawazneh, 2011). Complex Information searching from multiple sources for the best deals is shown by this study as significant and is explanatory of consumers' confusions of the market. Consumers felt the need to use many sources of information in order to purchase. This is a way for them to reduce the risk in purchasing.

Isiklar and Buyukozkan (2006) and Horvath and Sajtos (2002) demonstrate that consumers are mainly influenced by the functionality and technical features of the phone as well as brand choice. This is consistent with the results of this study, where the respondents mentioned technological features, design and functionality being the attributes which they found the most important. The brand, however, was not highlighted as a determinant. This may be due to the fact that most brands offer Smartphones and it is more difficult to make an objective distinction with a somewhat generic product category. Our study extends the literature on the impact of Facebook on the alternative evaluation process in mobile phone purchasing, in that 'enabling Facebook to work' in a handset has become a key determinant of purchase.

An interesting and significant finding from this study, that extends the literature, shows that Facebook has found to be a communication platform for both social and formal networking.

The networking for keeping in touch and arranging meetings of work-related issues is a central point of engagement used by respondents in their daily scholarly activities. Also, The previous study (Royo-Vela and Casamassima, 2011, p.533) on the effects of belongingness to virtual communities like Facebook Fan Pages found that the 'affective commitment' of the subscribers towards the brand(s) was higher than non-subscribers, this study reveals that there are different segments representing a range of behaviours towards Facebook advertising, from 'the active' to 'the avoider', based on our interpretative approach and analysis.

## **SOLUTIONS AND RECOMMENDATIONS**

This section provides solutions and discusses management implications. By looking into the consumer buying decision making process and behaviour, it can be seen that a range of consumer segments are drawn towards online ads. SNS like Facebook can tailor their online service designs to target customers who use Facebook for information search and evaluating alternatives in consumer pre-purchases of mobile phones. For Facebook, it has developed a competitive advantage for mobile phone companies (West et al., 2010), in that a mobile phone that enables social networking has become a criterion for consumer choice in technical function in the mobile phones purchases. Nevertheless the ads included in the website are not to overtake those functions which enable social networking engagement. In addition, the content and promotion in the ads on mobile phones needs to integrate with the concept of 'social' to fit the needs of targeted consumers and to integrate with mobile phone companies' own rights on branding.

Our findings on which demonstrate Facebook is a useful mechanism and a tool for communication and linking team members in formal networking, implies that there is scope for Facebook to develop the platform for communities for work. For example, possible functionalities may be designed and be provided to support teamwork contacts in project management. However, the development of such a platform is not to create 'crashes' on brand images (Jobber and Ellis-Chadwick, 2013) instead to strengthen its image of being 'technological'.

For mobile phone companies, being present on Facebook brings them an advantage of engaging in social and community level activities with targeted young consumers. The types of ads displayed on SNS like Facebook, needs to be selective in order to suit consumers' differing behaviours and attitudes towards the online ads at different stages of the buying decision making process. In addition, the concept of 'social' means different things to

different people (Patton, 2002). Further, although online consumer views and comments have been a way of sharing experiences, building brand awareness and loyalty, yet it is a combination of online and offline activities that encourage different consumer groups to engage with the brand socially, is also a point worth attention. This should be set up as an ongoing job (Grönroos, 1994) by mobile phone companies.

## **FUTURE RESEARCH DIRECTIONS**

More studies are needed to explore the online ads of SNS like Facebook and purchases behaviours among other user groups, as Facebook has increasingly expanded to include diverse users (Gaudin, 2009), little research has been in those important areas. This study is constrained by the sample size. A future study is recommended to collect a larger number of samples. In addition, future studies should go further to explore mobile phone ads on SNS and consumer psychologies in the BDP. It may be possible to also identify more or differing themes to those addressed by this study. This could be done by examining other factors in consumer purchase process. Moreover, further studies could collect samples from different geographical regions worldwide and identify the regional differences. Finally, our samples were collected by purposeful sampling method; these might have resulted in responses bias. However, our results may be generalizable at a conceptual level (Jack et al., 2004) rather than a broader population.

## **CONCLUSION**

This chapter has explored the roles of Facebook in online advertising in the BDP of mobile phone purchasing. It investigates primarily the perception of Facebook, being a platform in which the direct advertising is built by consumers. Given that Facebook has been recognized as predominantly an online social media, this study finds that the service of enabling social networking by SNS like Facebook is an attractive point of purchase when consumers select mobile phone handsets. Facebook is a useful communication tool for both social and formal networking for teamwork in small scale projects when users look for cost-free electronic facilities.

Facebook has influenced the consumer buying decision making process by impacting on information search and alternative evaluation in pre-purchase stages. Five consumer segments were found, the Avoider, the Suspicious, the Passive, the Receptive and the Active groups, representing differing consumer attitudes and behaviours towards Facebook



online ads in the buying decision process of mobile phone purchase. The study demonstrates that the buying decision on mobile phones is not an easy task for consumers; they are highly involved in each stage of the buying process. Opinions from consumer's social networks have impact on the buying decision processes throughout the buying process, meaning that there is scope for SNS to impact on other stages and by incorporating online and offline community activities. Nevertheless, technological attributes are the determinants in mobile phone purchases.

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## **KEY TERMS AND DEFINITIONS**

Social network site: a Website that enables users to build social networks with those who have set up profiles on the same Website.

Facebook: Facebook is an online platform providing social networking service.

Purchase decision process: a series of steps a consumer may go through in making decision on purchase of a product/service.

Consumer behaviour: the acts and decisions of individuals involved in buying and using products.

Social networking: the conduct of individuals' engagement of joining in networks to socialize with people, this can be done by online or offline.

Formal networking: the conduct of individuals' engagement of joining in networks to establish and manage links and contacts with people for work related issues.

7Ps: product, price, promotion, place, people, process and physical environment